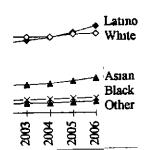


ELIGIBILITY AND PARTICIPATION IN CALIFORNIA'S PUBLIC UNIVERSITIES THROUGH THE YEAR 2006





CALIFORNIA
POSTSECONDARY
EDUCATION
COMMISSION

SUMMARY

Growth in the size of California's high school graduating classes, coupled with continuing changes in the racial/ethnic composition of these classes and improved rates of eligibility for freshman admission to the State's public universities, can be expected to generate greater enrollment demand at these institutions over the coming decade. This staff report describes the potential enrollment demand of public high school graduates eligible for the University of California and the California State University through the year 2006, using two different assumptions about the eligibility rates of future high school graduates

In the report, the staff points out the likelihood that the State will be unable through the current General Fund appropriations process to support the expansion in enrollments that will be needed to satisfy this demand The losses to the State of failing to develop the same proportion of its human capital as in the past could adversely affect its competitive edge in the national and international markets as well as its own tax base for supporting essential public services, not to mention its opportunity to create a socially and politically coherent society Thus the staff believes that impressing Califorma's policy makers with the dire consequences of inadequately funding public postsecondary educational opportunities should be a Commission imperative

The Commission discussed this report at its meeting on October 19, 1992 Further information about the report may be obtained from the Commission at 1303 J Street, Suite 500, Sacramento, California 95814-2938

ELIGIBILITY AND PARTICIPATION IN CALIFORNIA'S PUBLIC UNIVERSITIES THROUGH THE YEAR 2006

Projections by the Staff of the California Postsecondary Education Commission



CALIFORNIA POSTSECONDARY EDUCATION COMMISSION 1393 J Street * Suite 500 * Sacramento, California 95814-2938



COMMISSION REPORT 92-29 PUBLISHED OCTOBER 1992

Contributing Staff Jeanne Suhr Ludwig

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OST enrollment demand projections utilize historical enrollment trends and demographic changes as the bases of their analyses. This examination of freshman participation through the year 2006 adds a third dimension -- high school graduates' eligibility to enroll at the State's public universities. It projects likely increases in enrollment demand as a function of the number of public high school graduates who successfully completed the Fall 1990 admission requirements for the University of California and the California State University and who are likely to enroll in these universities.

Trends affecting university enrollments

The University of California and the California State University should be preparing for considerable growth in the number of potential students to be educated because of the combination of two current trends (1) a rapid increase in the size of California's college-age population, and (2) improved academic preparation of high school graduates as a result of the successful educational reforms of the past decade By the year 2000, the University of California and the California State University are likely to find between 45 percent and 83 percent more young people eligible for admission than in 1990. To educate this many more students, the University of California will need between \$28 million and \$56 million more each year in State General Fund resources just for instructionally related activities—not including student support services, physical plant expansion, or plant maintenance. The State University will need between \$33 million and \$61 million more.

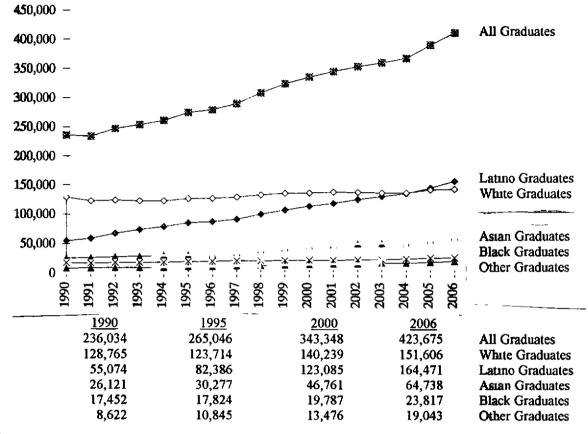
Here is how the Commission staff has arrived at these projections

1. An expanding and changing population of high school graduates

California's elementary and secondary schools are experiencing major increases in enrollment. This expansion will mean rapid growth into the twenty-first century in the number of California public high school graduates. By the year 2000, this number is expected to be 45 percent larger than in 1990 -- an additional 107,314 graduates. By 2006, the number will be 74 percent larger than in 1990 -- an additional 175,096. As Display 1 on page 2 shows, the rate of growth will be greatest for Latino and Asian graduates -- with Latino graduates projected to outnumber. White graduates by 2006 -- resulting in a considerably more racially and ethnically diverse graduating class than at present.

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DISPLAY 1 Number of California Public High School Graduates Projected Through 2006, by Major Ethnic Group



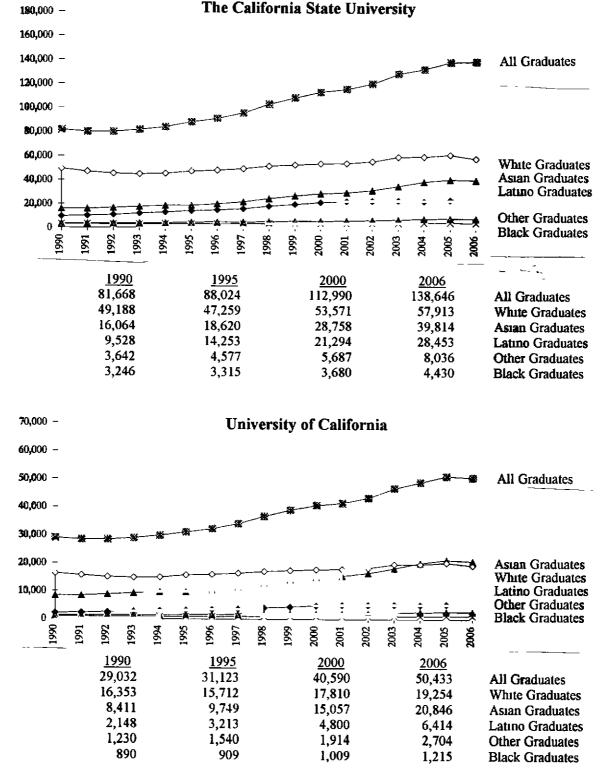
Source Demographic Research Unit, State Department of Finance, 1990 series

2. Choice of eligibility rate assumptions

The Commission staff has calculated the effects of two different assumptions about future eligibility rates of these students

Assumption 1: 1990 eligibility rates will remain constant: Assuming that no change occurs over this decade in the proportions of graduates by racial/ethnic group who are eligible for admission to California's two public universities, the numbers of graduates eligible for admission to these universities will increase because of the growth in the size of the high school graduating class By the year 2000, at least 112,990 graduates are projected to be eligible for freshman admission to the California State University, while at least 40,590 graduates will be fully eligible for admission to the University of California -- a combined increase of 45 3 percent over 1990 (Graduates "fully eligible" for admission to the University are those completing all admission requirements at the level of achievement needed to qualify, including the full battery of admission and achievement tests) By 2006, these pools of eligible graduates are projected to be 138,646 and 50,433, respectively Display 2 at the right shows these projected increases in the "eligibility pools" for both university systems by major racial/ethnic group

DISPLAY 2 Number of California Public High School Graduates Eligible for Admission to California's Two Public Universities Through 2006, Assuming No Increase in 1990 Eligibility Rates of Major Ethnic Groups



Source 1990 eligibility rates calculated by the California Postsecondary Education Commission, applied to numbers in Display I

Assumption 2: Eligibility rates will grow through 1994: In its 1990 Eligibility Study, the Commission documented dramatic improvements between 1986 and 1990 in the eligibility of California public high school graduates for admission to both of the State's public universities

- At the California State University, the proportion of graduates eligible for freshman admission expanded from 27 5 percent in 1986 to 34 6 percent in 1990, despite the introduction of more stringent course requirements during this period
- At the University of California, the proportion who were historically eligible grew from 14 1 to 18 8 percent, while the fully eligible (those completing all admission requirements, including all admission and achievement tests) increased from 9 1 to 12 3 percent

Improvements in graduates' eligibility occurred for both men and women as well as for each of the major racial/ethnic groups

Eligibility rates are likely to continue to increase, at least in the short term, as the proportion of public high school students taking college preparatory courses continues to grow. Thus under this scenario, the Commission staff assumes that racial/ethnic groups will increase their eligibility between 1990 and 1994 at essentially the same rates they increased from 1986 to 1990, and then level off at the 1994 rates

The reasons the staff believes these eligibility rates will level off are two-fold (1) the State University's set of course requirements just became fully effective for this Fall 1992 term, and (2) both the State University and the University are likely to tighten their admissions criteria as the proportion of eligible graduates expands in order to ensure that they continue to admit only from the top 33 1/3 and 12 1/2 percent of public high school graduates, respectively, as called for in the Master Plan

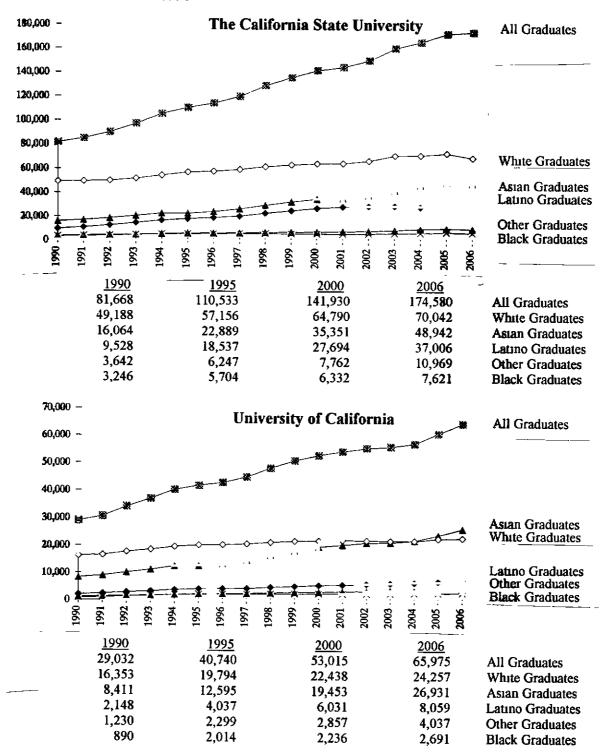
Assuming that eligibility rates improve between 1990 and 1994 at the same rate as between 1986 and 1990, the eligibility pool for the State University may grow to 141,930 students by 2000 and to 174,580 by 2006. The eligibility pool for the University may grow to 53,015 students by 2000 and to 65,975 by 2006 (Display 3)

Summary: Depending upon which assumption one chooses, by 2000 between 31,322 and 60,262 more graduates will likely be eligible for the State University than in 1990, while between 11,558 and 23,983 more will likely be fully eligible for the University

The enigma of participation rates

Anticipating likely participation rates is the most risky of any projection in estimating future enrollments, since students' decisions to enroll hinge on a variety of factors -- among them, the perceived cost of university attendance, the availability of financial aid, the extent of competing opportunities, even the proximity of the closest campus and the college-going decisions of friends

DISPLAY 3 Number of California Public High School Graduates Eligible for Admission to California's Two Public Universities Through 2006, Assuming the Same Increase in Eligibility Rates for Major Ethnic Groups from 1990 to 1994 as Occurred Between 1986 and 1990



Source 1986 and 1990 eligibility rates calculated by the California Postsecondary Education Commission, applied to numbers in Display 1, and extrapolated from 1990 to 1994

For example, because of increased fees, by the year 2000 university attendance may appear out of reach for an even larger proportion of high school graduates than it does now, but on the other hand, expansion of federal and state aid may encourage a larger proportion to enroll Because of these uncertainties, for these projections the Commission staff assumes no change in the 1990 participation rates of eligible graduates from each racial/ethnic group

Resulting cost projections

The California State University: The number of California public high school graduates eligible by Fall 1990 freshman admission criteria for admission to the State University will grow over this decade by between 31,322 and 60,262, depending on the assumptions of either no increase in eligibility rates after 1990 or another four-year increase comparable to that between 1986 and 1990. Assuming no change in participation rates, this would mean growth by the year 2000 of between 9,229 and 17,119 additional eligible graduates seeking freshman admission to the State University from California's public high schools. Based on the Commission's estimate of instructionally related costs at the State University, the State General Fund resources needed to support instruction for these additional freshmen would range from \$33 million to \$61 million a year in 1990-91 dollars. These figures do not include the additional resources that would be needed to provide student support services for them or to finance plant maintenance and expansion

University of California: Similarly, the number of additional public high school graduates eligible by Fall 1990 admissions criteria to enter the University of California by the year 2000 may be between 11,558 and 23,983 Assuming no change from 1990 participation rates of eligible graduates, the number who may seek admission as first-time freshmen will increase by between 7,027 and 13,898 Based on the Commission's estimate of instructionally related costs at the University, the State General Fund resources the University needs to offer instruction for these students can be roughly calculated at between \$28 million and \$56 million a year -- again, not counting student support services or facilities

Altogether, the total costs of instruction, student services, and plant maintenance and expansion for educating these public high school graduates at the State's public universities would require an increase of several billions of dollars of State expenditures in these two systems

Can the State finance this expansion?

Historically, California has provided all eligible high school graduates interested in attending its public universities the opportunity to continue their human capital development that they so conscientiously began in high school. But as the numbers of eligible graduates expands and State resources contract, California's two public universities are on the verge of being unable to continue their historic practice of providing admission for all those eligible and interested in enrolling

With the fiscal outlook for State support of public higher education quite pessimistic, it may be unrealistic to expect funding for a constant participation rate for eligible applicants. A more realistic assumption may be for fixed-size entering classes. Yet this would mean that the State University could not serve any of the additional 9,029 eligible graduates who are likely to seek admission in the year 2000 if eligibility rates remain constant -- let alone the 17,119 who will probably seek admission if eligibility rates increase over the next four years. Similarly, the University of California could not admit any of the additional 7,027 fully eligible applicants in the year 2000 if eligibility rates remain constant -- and certainly not the 13,898 who will likely seek admission if these rates climb through 1994

Unable to enroll in the State University of University of California, many of these 16,000 to 31,000 eligible applicants would seek to attend California's community colleges. Yet this additional demand by high school graduates eligible and historically likely to attend the State's public universities would exacerbate the pressure the community colleges will already be experiencing as the size of their historical student population also expands

Some of the rejected university eligible applicants may seek admission to independent or out-of-state universities, and California's independent colleges and universities with admission requirements similar to those of the State's public universities currently have space to accommodate several thousand of them. Yet because of reductions in student aid, the difference in cost between attending these institutions and the State's public universities makes these institutions financially difficult choices for low-income and middle-income students.

As a result, even if current eligibility and participation rates remain static -- a conservative estimate at best -- unless opportunities within the public segments are expanded as the number of eligible students grows, California's opportunity to invest in and subsequently benefit from this expansion in the potential productivity of its citizenry may be lost. If California is not willing or able to provide additional enrollment opportunities commensurate with the growth in the pool of eligible high school graduates, the loss of human capital and public revenues they would generate could be staggering. Yet the fiscal realities of the 1990s indicate just such an outcome, requiring careful reconsideration of the means by which California can optimize the development of its human capital through its postsecondary institutions

"If California is not willing or able to provide additional enrollment opportunities commensurate with the growth in the pool of eligible high school graduates, the loss of human capital and public revenues they would generate could be staggering"

CALIFORNIA POSTSECONDARY EDUCATION COMMISSION

THE California Postsecondary Education Commission is a citizen board established in 1974 by the Legislature and Governor to coordinate the efforts of California's colleges and universities and to provide independent, non-partisan policy analysis and recommendations to the Governor and Legislature

Members of the Commission

The Commission consists of 17 members. Nine represent the general public, with three each appointed for six-year terms by the Governor, the Senate Rules Committee, and the Speaker of the Assembly Six others represent the major segments of postsecondary education in California. Two student members are appointed by the Governor

As of August 1994, the Commissioners representing the general public are

Henry Der, San Francisco, Chair
C Thomas Dean, Long Beach, Vice Chair
Elaine Alquist, Santa Clara
Mim Andelson, Los Angeles
Jeffrey I Marston, San Diego
Guillermo Rodriguez, Jr, San Francisco
Melinda G Wilson, Torrance
Linda J. Wong, Los Angeles
Ellen F Wright, Saratoga

Representatives of the segments are

Roy T Brophy, Fair Oaks, appointed by the Regents of the University of California,

Yvonne W Larsen, San Diego, appointed by the California State Board of Education.

Alice Petrossian, Glendale, appointed by the Board of Governors of the California Community Colleges,

Ted J Saenger, San Francisco, appointed by the Trustees of the California State University,

Kyhl Smeby, Pasadena, appointed by the Governor to represent California's independent colleges and universities, and

Jaye L Hunter, Long Beach, appointed by the Council for Private Postsecondary and Vocational Education

The two student representatives are Stephen Lesher, Meadow Vista Beverly A Sandeen, Costa Mesa

Functions of the Commission

The Commission is charged by the Legislature and Governor to "assure the effective utilization of public postsecondary education resources, thereby eliminating waste and unnecessary duplication, and to promote diversity, innovation, and responsiveness to student and societal needs"

To this end, the Commission conducts independent reviews of matters affecting the 2,600 institutions of postsecondary education in California, including community colleges, four-year colleges, universities, and professional and occupational schools

As an advisory body to the Legislature and Governor, the Commission does not govern or administer any institutions, nor does it approve, authorize, or accredit any of them Instead, it performs its specific duties of planning, evaluation, and coordination by cooperating with other State agencies and non-governmental groups that perform those other governing, administrative, and assessment functions

Operation of the Commission

The Commission holds regular meetings throughout the year at which it debates and takes action on staff studies and takes positions on proposed legislation affecting education beyond the high school in California By law, its meetings are open to the public Requests to speak at a meeting may be made by writing the Commission in advance or by submitting a request before the start of the meeting

The Commission's day-to-day work is carried out by its staff in Sacramento, under the guidance of its executive director, Warren Halsey Fox, Ph D, who is appointed by the Commission

Further information about the Commission and its publications may be obtained from the Commission offices at 1303 J Street, Suite 500, Sacramento, California 98514-2938, telephone (916) 445-7933



ELIGIBILITY AND PARTICIPATION IN CALIFORNIA'S **PUBLIC UNIVERSITIES THROUGH THE YEAR 2006**

Commission Report 92-29

ONE of a series of reports published by the California Postsecondary Education Commission as part of its planning and coordinating responsibilities. Single copies may be obtained without charge from the Commission at 1303 J Street, Suite 500, Sacramento, California 95814-2938 Recent reports include.

- 92-17 A Framework for Statewide Facilities Planning Proposals of the California Postsecondary Education Commission to Improve and Refine the Capital Outlay Planning Process in California Higher Education (August 1992)
- 92-18 Guidelines for Review of Proposed University Campuses, Community Colleges, and Educational Centers A Revision of the Commission's 1990 Guidelines for Review of Proposed Campuses and Off-Campus Centers (August 1992)
- 92-19 Approval of the Lemoore Center of the West Hills Community College District A Report to the Governor and Legislature in Response to a Request from the Board of Governors to Recognize the Center as the Official Community College Center for the Lemoore/Hanford Area of Kings County (August 1992)
- 92-20 Commission Comments on the Systems' Final Funding Gap Reports A Second Report to the Legislature and the Governor in Response to Supplemental Report Language of the 1991 Budget Act (August 1992)
- 92-21 Services for Students with Disabilities in California Public Higher Education, 1992 The Second in a Series of Biennial Reports to the Governor and Legislature in Response to Assembly Bill 746 (Chapter 829, Statutes of 1987) (August 1992)
- 92-22 Exchanging Students with Eastern Europe Closing a Half-Century Learning Gap A Report to the Governor and Legislature in Response to Assembly Concurrent Resolution 132 (Resolution Chapter 145, Statutes of 1990) (August 1992)
- 92-23 1992-93 Plan of Work for the California Postsecondary Education Commission Major Studies and Other Commission Activities (August 1992)
- 92-24 Resource Guide for Assessing Campus Climate (August 1992)
- 92-25 Meeting the Challenge Preparing for Long-Term Change in California Higher Education, by Warren H Fox Report of the Executive Director to the California Postsecondary Education Commission, August 24, 1992 (August 1992)
- 92-26 California College and University Exchange Programs with Mexico A Staff Report in Response to a Request from the 1991 United States-Mexico Border Conference on Education (October 1992)
- 92-27 Appropriations in the 1992-93 State Budget for Higher Education A Staff Report to the California Postsecondary Education Commission (October 1992)
- 92-28 Legislation Affecting Higher Education During the Second Year of the 1991-92 Session A Staff Report to the California Postsecondary Education Commission (October 1992)
- 92-29 Eligibility and Participation in California's Public Universities Through the Year 2006 Projections by the Staff of the California Postsecondary Education Commission (October 1992)